

BOND PURCHASE AGREEMENT

KUTAK ROCK LLP
DRAFT 04/27/2004

\$10,910,000
County of San Bernardino
Variable Rate Demand Multifamily Housing
Mortgage Revenue Refunding Bonds,
2004 Series A
(Mountain View Apartments)

May 25, 2004

County of San Bernardino
Economic and Community Development
6th Floor
290 North D Street
San Bernardino, CA 92415

WLP Mountain View Apartments, LLC
1156 North Mountain Avenue
Upland, CA 91785

Ladies and Gentlemen:

Hutchinson, Shockey, Erley & Co., and Newman & Associates, a Division of GMAC Commercial Holding Capital Markets Corp. (together, the "Underwriter"), solely in their capacity as purchasers of the above-captioned bonds (the "Bonds") offer to enter into the following agreement (the "Bond Purchase Agreement") with the County of San Bernardino (the "Issuer") and WLP Mountain View Apartments, LLC, a Delaware limited liability company (the "Borrower"), which, upon acceptance of this offer, will be binding upon the Issuer, the Borrower and the Underwriter. This offer is made subject to the Issuer's and the Borrower's acceptance on or before 10:00 a.m., Pacific time, of the date hereof, and, if not so accepted, will thereafter be subject to withdrawal by the Underwriter upon written notice delivered to the Issuer and the Borrower at any time prior to the acceptance hereof by the Issuer and the Borrower.

Capitalized terms not otherwise defined herein will have the meanings set forth in the Indenture (as hereinafter defined) or the Financing Agreement. The Indenture, the Financing Agreement, the Regulatory Agreement, the Assignment, the Note and this Bond Purchase Agreement are hereinafter collectively referred to as the "Issuer Documents." The Financing Agreement, the Regulatory Agreement, the Reimbursement Agreement, the Pledge Agreement, the Assignment, the Loan Documents, the Hedge Security Agreement, this Bond Purchase Agreement and the Remarketing Agreement are hereinafter collectively referred to as the "Borrower Documents." The Indenture, the Financing Agreement, the Regulatory Agreement, the Pledge Agreement, the Assignment and the Credit Facility are hereinafter collectively referred to as the "Trustee Documents."

Section 1. Purchase and Sale of the Bonds. Upon the terms and conditions and upon the basis of the representations and warranties herein set forth, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell to the Underwriter, all but not less than all of the

Bonds. The Bonds will be issued in the Weekly Variable Rate Mode, bearing interest at the Weekly Variable Rate determined by Newman & Associates, a Division of GMAC Commercial Holding Capital Markets Corp. (the "Remarketing Agent") prior to the delivery of the Bonds. The purchase price for the Bonds shall be equal to the principal amount thereof. The Borrower hereby agrees to pay to the Underwriter an amount equal to _____% of the principal amount of the Bonds as a fee in connection with the purchase of the Bonds.

The Bonds will be issued as described in, and will be issued pursuant to, the Trust Indenture, dated as of May 1, 2004 (the "Indenture"), between the Issuer and BNY Western Trust Company, as trustee (the "Trustee"), and a resolution adopted by the Issuer (the "Bond Resolution"). The Bonds will be issued in accordance with, and pursuant to, the authority of the Act. The proceeds of the Bonds will be used by the Issuer to make a Loan to the Borrower, the proceeds of which will be applied as described in the Indenture, and such loan will be evidenced by a Note and secured by the Security Instrument. The Issuer and the Borrower will enter into the Financing Agreement to further evidence the obligation to repay the Loan. The Issuer, the Borrower and the Trustee will enter into the Regulatory Agreement regarding the operation of the Project. Fannie Mae will execute and deliver to the Trustee its Credit Facility. Pursuant to the Credit Facility, Fannie Mae will, subject to the terms and conditions of the Credit Facility, provide credit enhancement and liquidity support for the Bonds.

The Borrower will deliver to the Underwriter a copy of the final Official Statement in sufficient time to accompany any customer confirmation, but in any event not later than the earlier of (a) seven business days from the date of this Bond Purchase Agreement or (b) the Closing Date (as defined in Section 6 hereof). Such Official Statement, together with all the information incorporated by reference therein and the appendices thereto, and with only such changes as are approved by the Issuer, the Borrower and the Underwriter, and as amended and supplemented, is hereinafter called the "Official Statement." Pursuant to the Bond Resolution, the Issuer has acknowledged the distribution of the Preliminary Official Statement, if any, and the Official Statement.

Section 2. Representations, Covenants and Agreements of the Issuer. The Issuer represents, covenants and agrees with the Underwriter and the Borrower that:

(a) The Issuer shall not knowingly take or omit to take, as is appropriate, any action, the taking or omission of which would adversely affect the exclusion of interest on the Bonds from gross income for purposes of federal income taxation.

(b) The Issuer shall cause the Borrower to furnish to the Underwriter, in such reasonable quantities as shall be requested by the Underwriter, copies of the Official Statement and all amendments and supplements thereto, in each case as soon as available, at the expense of the Borrower. Such Official Statements shall be furnished not later than (i) seven business days after the date of execution of this Bond Purchase Agreement or (ii) such earlier date as shall be designated by the Underwriter as a date on which the Underwriter is issuing confirmations requesting payment for the Bonds from their customers.

(c) The Issuer shall furnish such information, execute such instruments and take such other action consistent with law as may be required, and shall otherwise cooperate with the Underwriter in taking all action necessary, to qualify the Bonds for offer and sale and to determine the eligibility for investment in the Bonds under the laws of such jurisdictions as the Underwriter designates and the continuation of such qualification in effect so long as required for distribution of the Bonds; provided, however, that the foregoing will not require the Issuer to consent to service of process in any foreign jurisdiction or to register as a broker-dealer or qualify as a foreign corporation in any foreign jurisdiction.

(d) Upon receiving written notice, the Issuer shall promptly notify the Underwriter of the institution of any action, suit, proceeding, inquiry or investigation known to it seeking to prohibit, restrain or otherwise restrict the issuance of the Bonds, the making of the Loan, the execution, delivery and performance by the Issuer of the Issuer Documents or the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(e) If between the date of this Bond Purchase Agreement and the date which is 90 days after the Closing Date an event occurs, that is known to the Issuer, affecting the Issuer, that would cause the Official Statement to contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein with respect to the Issuer, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter, and, if in the opinion of the Issuer or the Underwriter such event requires an amendment of or supplement to the Official Statement, the Issuer, at the expense of the Borrower, will amend or supplement the Official Statement in a form and manner jointly approved by the Issuer and the Underwriter; provided, however, if such event shall occur on or prior to the Closing Date, the Underwriter in its sole discretion shall have the right to terminate its obligations hereunder by written notice to the Issuer and the Borrower, and the Underwriter shall have no obligation to purchase and pay for the Bonds.

The execution and delivery of this Bond Purchase Agreement by the Issuer will constitute a representation to the Underwriter and the Borrower that the representations and covenants contained in this Section 2 are true as of the date hereof.

Section 3. Representations, Covenants and Agreements of the Borrower. The Borrower represents, covenants and agrees with the Underwriter and the Issuer that:

(a) The Borrower is a Delaware limited liability company and is in good standing under the laws of the State of Delaware.

(b) The Borrower has the requisite power and authority (i) to own and operate its properties and assets, including without limitation, the Project; (ii) to carry out its business as such business is being conducted and as contemplated in the Borrower Documents; and (iii) to carry out the terms and conditions applicable to it under the Borrower Documents. The execution, delivery and performance of the Borrower Documents by the Borrower has been authorized by all requisite action on the part of the Borrower.

(c) If between the date of this Bond Purchase Agreement and the date which is 90 days after the Closing Date, an event occurs that is known to the Borrower that would cause the Official Statement to contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the Borrower shall notify the Issuer and the Underwriter, and, if in the opinion of the Issuer or the Underwriter such event requires an amendment or supplement to the Official Statement, the Issuer, at the expense of the Borrower, will amend or supplement the Official Statement in a form and manner jointly approved by the Issuer and the Underwriter; provided, however, if such event shall occur on or prior to the Closing Date, the Underwriter in its sole discretion shall have the right to terminate the obligations of the Underwriter hereunder by written notice to the Issuer and the Borrower, and the Underwriter shall have no obligation to purchase and pay for the Bonds.

(d) The Borrower shall take all necessary action on its part to cause the Bonds to comply with the provisions of the laws and regulations of the State of California pursuant to

which the Bonds are issued and the applicable provisions of the Internal Revenue Code of 1954, as amended, and the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder or under any prior or succeeding Code (collectively, the “Code”), and will not take any, or permit any action within its control to be taken, which would violate such provisions or which would cause interest on the Bonds to become subject to federal income taxation pursuant to Section 103 of the Code.

(e) To the best of the Borrower’s knowledge, the statements and information with respect to the Borrower and the Project contained in the Official Statement are, on the date hereof, true and correct and did not on the date thereof contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, misleading. The Borrower hereby authorizes and approves the use by the Underwriter of the Official Statement in connection with the offering, sale and distribution of the Bonds.

(f) The Borrower has full legal right, power and authority to own and operate the Project and to execute, deliver and perform its obligations under the Borrower Documents to which it is a party and all documents to be executed in connection with the Loan.

(g) The Borrower Documents, when duly executed and delivered by the Borrower and the other parties thereto, and all other documents to be delivered by the Borrower in connection with the consummation of the transactions contemplated hereby and by the Official Statement and the Borrower Documents, will constitute valid, legal and binding obligations of the Borrower, enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors’ rights generally.

(h) The execution, delivery and performance of the Borrower Documents and all other documents to be delivered by the Borrower in connection with the consummation of the transactions contemplated hereby and by the Official Statement and the Borrower Documents will not conflict with, or constitute a material breach of or material default under, any indenture, mortgage, deed of trust, lease, note, commitment, agreement or other instrument or obligation to which the Borrower is a party or by which the Borrower or any of its property is bound or, to the best of the Borrower’s knowledge, under any law, rule, regulation, judgment, order or decree to which the Borrower is subject or by which the Borrower or any of its property is bound. The Borrower is not now in default in the payment of the principal of, or premium or interest on, or otherwise in default with respect to, any bonds, notes or other obligations which it has incurred, assumed or guaranteed as to payment of principal, premium or interest, and the Borrower is not in default under any document, instrument or commitment to which the Borrower is a party or to which the Borrower or any of its property is subject, which document, instrument or commitment or default thereunder relates to the Bonds or the Project.

(i) To its knowledge, there is no action, suit, proceeding, inquiry or investigation by or before any governmental agency, public board or body pending or, to the best of its knowledge, threatened against the Borrower (nor to the best of its knowledge is there any basis therefor), which (i) affects or seeks to enjoin, prohibit or restrain the issuance, sale or delivery of the Bonds under Section 103 of the Code or the use of the proceeds of the Bonds to make the Loan or the use of the Official Statement or the execution and delivery of the Borrower Documents, (ii) affects or questions the validity or enforceability of the Bonds, or any of the Borrower Documents, (iii) questions the tax-exempt status of the Bonds or the completeness or accuracy of the Official Statement or (iv) questions the power or authority of the Borrower to

own, acquire, construct, equip or operate the Project or to execute, deliver or perform its obligations under the Borrower Documents.

(j) Any certificate signed by the Borrower or the Authorized Borrower Representative (as defined in the Indenture) and delivered to the Underwriter or the Issuer shall be deemed to be a representation and warranty by the Borrower to the Underwriter and the Issuer as to the statements made therein.

(k) All permits (including building permits), licenses and other authorizations necessary for the ownership and operation of the Project in the manner contemplated by the Official Statement and the Bond Documents have been obtained, and to the Borrower's knowledge said ownership and operation are not in conflict with any zoning or similar ordinance applicable to the Project.

(l) The Borrower (i) will not knowingly take or permit any person controlled by it to take action that would adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes, and, if it should take or permit any such action, it will take all lawful actions to rescind such action promptly upon having knowledge thereof, (ii) will not fail to take any action that is required in order to preserve the exclusion from gross income of the interest on the Bonds for federal income tax purposes under Section 103 of the Code and (iii) will take such action or actions as it can take, including amending the Bond Documents, as may be necessary, in the opinion of bond counsel acceptable to the Issuer and the Trustee, to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated by the Department of the Treasury or the Internal Revenue Service pertaining to the Bonds.

(m) The money on deposit in any fund or account in connection with the Bonds or the Loan, whether or not such money was derived from other sources, will not be used by or under the direction of the Borrower in a manner which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and the Borrower specifically agrees that the investment of money in any such fund shall be restricted as may be necessary, and the earnings on such investment rebated to the United States to the extent necessary, to prevent the Bonds from being "arbitrage bonds."

(n) The Borrower will not take or omit to take, as may be applicable, any action which would in any way cause the proceeds of the Bonds to be applied in a manner contrary to the requirements of the Borrower Documents.

(o) The Borrower shall cause to be included in any instrument transferring any interest in the Project specific reference to the covenants, conditions and restrictions contained in the Regulatory Agreement.

(p) None of the Borrower, any general partner of or guarantor of the Borrower nor any "related person" to the Borrower within the meaning of Section 147 of the Code has acquired or shall acquire, pursuant to any arrangement, formal or informal, any Bonds.

(q) The Borrower hereby authorizes its counsel to render to the Underwriter and to the Issuer an opinion substantially in the form of Appendix C hereto.

The execution and delivery of this Bond Purchase Agreement by the Borrower will constitute a representation to the Underwriter that the representations and covenants contained in this Section 3 are

true as of the date hereof. The foregoing representations and covenants of the Borrower will survive the making of this Bond Purchase Agreement and the execution and delivery of the Bonds and the instruments and documents contemplated thereby.

Section 4. Indemnification of Underwriter and Related Parties.

(a) The Borrower agrees to pay, defend, protect, indemnify, save and hold harmless the Issuer, the Underwriter and each affiliate, member, officer, director, official, employee and agent of the Issuer and the Underwriter and each person, if any, who controls any of the foregoing within the meaning of Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended (collectively referred to herein as the “Indemnified Parties”), against any and all liabilities, losses, damages, costs, expenses (including attorneys’ fees), causes of action (whether in contract, tort or otherwise), suits, claims, demands and judgments of any kind, character and nature (collectively referred to herein as the “Liabilities”) caused by or directly or indirectly arising from or in any way relating to (i) the Bonds, the Prior Bonds, the Project, the loan of the proceeds of the Bonds, the Financing Agreement, the Security Instrument, the Indenture, this Bond Purchase Agreement or any document related to the Bonds, the Project, the loan of the proceeds of the Bonds (the “Transaction Documents”) or any transaction or agreement, written or oral, pertaining to the foregoing or (ii) any untrue or misleading statement or alleged untrue or alleged misleading statement of a material fact relating to the Borrower or the Project contained in the Official Statement, or caused by any omission or alleged omission from the Official Statement of any material fact relating to the Borrower and the Project necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading; provided, however, that no indemnity shall be required for claims arising from the negligence or willful misconduct of the party seeking indemnification.

(b) The Borrower also agrees to pay, defend, protect, indemnify, save and hold harmless the Underwriter and each affiliate, member, officer, director, official, employee and agent of the Underwriter from and against the Liabilities directly or indirectly arising from or relating to (i) any errors or omissions of any nature whatsoever contained in any legal proceedings or other official representation or inducement made by the Issuer pertaining to the Bonds and (ii) any fraud or misrepresentations or omissions of the Borrower contained in the proceedings of the Issuer pertaining to the financial condition of the Borrower.

(c) Any Indemnified Party shall notify the Borrower of the existence of any Liability to which this indemnification obligation would apply and shall give to the Borrower an opportunity to defend the same at the Borrower’s expense and with counsel satisfactory to the Indemnified Party, provided that the Indemnified Party shall at all times also have the right to fully participate in the defense. If there may be legal defenses available to the Indemnified Party which are different from or in addition to those available to the Borrower or if the Borrower shall, after this notice and within a period of time necessary to preserve any and all defenses to any claim asserted, fail to assume the defense or to employ counsel for that purpose satisfactory to the Indemnified Party, the Indemnified Party shall have the right, but not the obligation, to undertake the defense of, and, with the approval of Borrower, to compromise or settle the claim or other matter on behalf of, for the account of, and at the risk of, the Borrower.

(d) In order to provide for just and equitable contribution in circumstances in which the indemnity provided for in paragraph (a) or (b) of this Section is for any reason held to be unavailable, the Borrower and the Indemnified Party shall contribute proportionately to the aggregate Liabilities to which the Borrower and the Indemnified Party may be subject, so that the

Indemnified Party is responsible for that portion represented by the percentage that the fees paid to the Indemnified Party in connection with the issuance and administration of the Bonds bear to the aggregate offering price of the Bonds, with the Borrower responsible for the balance; provided, however, that in no case shall the Indemnified Party be responsible for any amount in excess of the fees paid by the Borrower to the Indemnified Party in connection with the issuance and administration of the Bonds.

(e) The Indemnified Parties, other than the Issuer and the Underwriter, shall be considered to be third-party beneficiaries of this Bond Purchase Agreement for purposes of this Section. The provisions of this Section will be in addition to all liability which the Borrower may otherwise have and shall survive any termination of this Bond Purchase Agreement, the offering and sale of the Bonds and the payment or provisions for payment of the Bonds.

Section 5. Disclosure Matters .

(a) The Issuer, at the expense of the Borrower, has delivered or will deliver to the Underwriter, at the expense of the Borrower, in such quantities as the Underwriter has requested or may hereafter reasonably request, copies of the Official Statement (including all documents incorporated by reference therein or attached as appendices thereto) and any amendment or supplement thereto. As set forth in Section 9 hereof, the Borrower will be responsible for the costs associated with printing and mailing the Official Statement.

(b) The Borrower hereby represents that the information in the Official Statement under the captions “THE BORROWER AND THE PROJECT” and “NO LITIGATION—The Borrower,” and the Issuer hereby represents that the information in the Official Statement under the captions “THE ISSUER” and “NO LITIGATION—The Issuer” is fair and accurate in all material respects and does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading. The Issuer will not make any further representation on the remaining portions of the Official Statement.

(c) The Issuer will, at the expense of the Borrower, supply sufficient quantities of the Official Statement to enable the Underwriter (i) to send a single copy of the Official Statement to any potential customer upon request until the earlier of (A) 90 days from the End of the Underwriting Period (as defined below) or (B) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than 25 days following the End of the Underwriting Period, and (ii) to comply with any applicable rules of the Municipal Securities Rulemaking Board. The Underwriter agrees to promptly file the Official Statement with a nationally recognized municipal securities information repository. The “End of the Underwriting Period” means the later of the delivery of the Bonds by the Issuer to the Underwriter or when the Underwriter no longer retains (directly or as a syndicate member) an unsold balance of the Bonds for sale to the public, provided that the “End of the Underwriting Period” will be deemed to be the Closing Date unless the Underwriter otherwise notifies the Issuer and the Borrower in writing prior to such date that there is an unsold balance of the Bonds.

(d) During the period commencing on the date hereof and ending on the earlier of (i) 90 days from the End of the Underwriting Period or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than 25 days following the End of the Underwriting Period, if the Borrower becomes aware of any event which makes it necessary to supplement the Official Statement in

order to make the statements therein, in the light of the circumstances existing at such time, not misleading, the Borrower will forthwith notify the Underwriter and the Issuer of such event of, and if, in the reasonable commercial judgment of the Underwriter, an amendment or supplement is necessary, the Official Statement will be amended or supplemented as approved by the Issuer so that the statements therein as so amended or supplemented will not be misleading in the light of the circumstances existing at such time. All reasonable out-of-pocket expenses incurred in connection with any such supplement or amendment will be paid by the Borrower.

(e) The Issuer and the Underwriter agree to cooperate with the Borrower to minimize any expenses incurred in connection with the preparation and distribution of any amendments or supplements to the Official Statement required by the foregoing provisions.

Section 6. Closing. At 10:00 a.m., Pacific time, on May 26, 2004, or at such time on such earlier or later date as is agreed upon in writing by the Issuer, the Borrower and the Underwriter, the Issuer will direct the Trustee to deliver the Bonds to the Underwriter at the offices of The Depository Trust Company, New York, New York, in definitive form, duly executed and authenticated by the Trustee. Subject to the terms and conditions hereof, the Issuer shall deliver at the offices of Fulbright & Jaworski L.L.P., Los Angeles, California, ("Bond Counsel"), the other documents and instruments to be delivered pursuant to this Bond Purchase Agreement (the "Closing Documents") and the Underwriter shall accept delivery of the Bonds and Closing Documents and pay the purchase price for the Bonds as set forth in Section 1 above by wire transfer, to the Trustee, in immediately available federal funds, for the account of the Issuer or as the Issuer shall direct. As a condition precedent to such acceptance, the Underwriter shall have received the underwriter's fee by wire transfer in immediately available federal funds to the order of the Underwriter, in such manner as shall be agreed upon by the Borrower and the Underwriter. These deliveries and payments are herein called the "Closing" and the date on which the Closing occurs is herein called the "Closing Date."

It shall be a condition (i) to the obligations of the Issuer to sell and deliver the Bonds to the Underwriter and (ii) to the obligations of the Underwriter with respect to the Bonds to purchase and accept delivery of and to pay for the Bonds that the entire original principal amount of Bonds to be sold and delivered by the Issuer in accordance with Section 1 hereof shall be sold and delivered simultaneously by the Issuer and purchased, accepted and paid for contemporaneously by the Underwriter.

Section 7. Closing Conditions. The Underwriter, the Issuer and the Borrower have entered into this Bond Purchase Agreement in reliance upon representations, covenants and agreements of the Issuer and the Borrower contained herein, in reliance upon the representations, covenants and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer and the Borrower of their obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds will be subject to the performance by the Issuer and the Borrower of their obligations to be performed by them hereunder at or prior to the Closing, and to the accuracy in all material respects of the representations and covenants of the Issuer and of the Borrower contained herein as of the date hereof and as of the Closing as if made on the Closing Date, and will also be subject to the following additional conditions:

(a) At the time of the Closing, (i) the Bond Resolution shall have been duly adopted by the Issuer and shall be in full force and effect, (ii) the Issuer Documents shall have been duly authorized, executed and delivered, (iii) all official action of the Issuer relating thereto shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been approved by the Underwriter and the Borrower, and (iv) there shall have been taken in

connection therewith and in connection with the issuance of the Bonds all such actions as are necessary in connection with the transactions contemplated hereby.

(b) The representations and warranties of the Borrower in the Borrower Documents and of the Issuer in the Issuer Documents and herein shall be true and correct in all material respects on the Closing Date, and the Issuer (with respect to the Issuer Documents) and the Borrower (with respect to the Borrower Documents) shall deliver a certificate to such effect. The Official Statement (as the same may be amended or supplemented with the written approval of the Underwriter) on the date thereof and on the Closing Date shall be true and correct in all material respects and shall not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

(c) At or prior to the Closing, the Underwriter and the Borrower must receive the following documents:

(i) an approving opinion of Bond Counsel addressed to the Issuer, dated the Closing Date, in substantially the form of the opinion set forth in Exhibit A to the Official Statement, and a letter of such counsel dated the Closing Date and addressed to the Underwriter and Fannie Mae to the effect that such approving opinion may be relied on by the Underwriter and Fannie Mae to the same extent as if such opinion were addressed to the Underwriter and Fannie Mae;

(ii) opinions and/or letters, dated the Closing Date and addressed to the Underwriter, the Issuer, Fannie Mae and to such other parties as may be appropriate, (including, in the case of the opinions referred to in clauses (A), (B), (C) and (D) below, reliance letters addressed to Fannie Mae in the event Fannie Mae is not a direct addressee) of:

(A) Bond Counsel, substantially in the form attached hereto as Appendix A;

(B) [Not Used];

(C) Counsel to the Borrower, substantially in the form attached hereto as Appendix C;

(D) Counsel to the Trustee, substantially in the form attached hereto as Appendix D;

(E) Fannie Mae's Office of General Counsel, substantially in the form attached hereto as Appendix E;

(F) O'Melveny & Myers LLP (Fannie Mae Special Counsel), substantially in the form attached hereto as Appendix F; and

(G) Counsel to the Underwriter, substantially in the form attached hereto as Appendix G;

(iii) a certificate, dated the Closing Date, signed by an Authorized Officer of the Issuer to the effect that the representations and warranties of the Issuer contained in

this Bond Purchase Agreement are true and correct in all material respects on the Closing Date with the same effect as if made on the Closing Date; no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect; and that the Issuer has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under the Bonds and the Issuer Documents at or prior to the Closing Date;

(iv) a certificate of the Issuer as to arbitrage and other applicable federal tax matters in form and substance acceptable to Bond Counsel and the Underwriter;

(v) a certificate of the Borrower, dated the Closing Date, that (A) each of the representations set forth in the Borrower Documents (including this Bond Purchase Agreement) is true and correct in all material respects on the Closing Date with the same effect as if made on the Closing Date, (B) the information in the Official Statement concerning the Borrower, the Project and the Project Manager under the captions “THE BORROWER AND THE PROJECT” and “NO LITIGATION—The Borrower” is true and correct in all material respects and, as of the Closing Date, does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, and (C) the Borrower has complied with all agreements on its part to be performed under the Borrower Documents at or prior to the Closing Date;

(vi) a closing certificate of an authorized officer of Fannie Mae, dated the Closing Date, in the form set forth as Appendix H;

(vii) counterpart originals or certified copies of each of the Issuer Documents, Borrower Documents and Trustee Documents;

(viii) written evidence satisfactory to the Underwriter that Standard & Poor’s Ratings Services, a Division of The McGraw-Hill Companies, Inc. has issued ratings of “AAA/A-1+” for the Bonds, and such ratings are in effect on the Closing Date;

(ix) such agreements, certificates and opinions as requested by the Underwriter to evidence the closing of the Loan; and

(x) such additional legal opinions, certificates (including any certificates reasonably requested by Bond Counsel to enable it to render its opinion as to the exclusion of the interest on the Bonds from gross income for federal income tax purposes), instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the Closing Date, of the Issuer’s and the Borrower’s representations herein and the due performance or satisfaction by the Issuer or the Borrower, as the case may be, at or prior to such date of all agreements then to be performed, and all conditions then to be satisfied by the Issuer or the Borrower, as the case may be.

If the obligations of the Underwriter are terminated for any reason permitted by this Bond Purchase Agreement, none of the Underwriter, the Issuer or the Borrower will be under further obligation hereunder except for the continuing obligation of the Underwriter to pay certain expenses as hereinafter provided.

Section 8. Termination. The Underwriter may terminate this Bond Purchase Agreement by written notification to the Issuer and the Borrower if at any time subsequent to the date hereof and at or prior to the Closing:

(i) (A) legislation is enacted by the Congress of the United States or is adopted by the Senate or House of Representatives of the United States, or (B) a final, nonappealable decision is rendered by a court of the United States or the Tax Court of the United States, or (C) a ruling, regulation or official action is rendered by or on behalf of the United States, or (D) a ruling, regulation or other similar official action is issued by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or another governmental agency of the United States which in the opinion of counsel for the Underwriter, would have (or proposes action the effect of which would have) the effect of making interest on the Bonds includable in gross income for federal income tax purposes; or

(ii) any event occurs or exists which, in the reasonable judgment of the Underwriter, either makes untrue or incorrect in any material respect any statement or information contained in the Official Statement, or is not reflected in the Official Statement, but should be reflected therein for the purpose of making the statements contained therein, in the light of the circumstances under which they were made, not misleading, but only to the extent such misstatement or omission cannot be corrected prior to Closing; or

(iii) legislation is enacted, or a decision by a court of the United States shall be rendered, or any action is taken by the Securities and Exchange Commission, which, in the opinion of counsel for the Underwriter, has the effect of requiring the contemplated distribution of the Bonds to be registered under the Securities Act of 1933, as amended, or the Indenture to be qualified as an indenture under the Trust Indenture Act of 1939, as amended; or

(iv) in the judgment of the Underwriter it becomes impracticable to market the Bonds or to enforce commitments for the purchase of Bonds because (A) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; (B) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, underwriters; (C) a general banking moratorium shall have been established by federal, New York or Colorado authorities; or a war involving the United States of America shall have been declared, or any other national or international calamity shall have occurred, or any conflict involving the armed forces of the United States of America shall have escalated to such a magnitude as to materially affect the ability of the Underwriter to market the Bonds; or

(v) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance or sale of the Bonds or in any way contesting any authority or security for or the validity of the Bonds, or the existence or powers of the Issuer; or

(vi) legislation shall have been introduced in or enacted by the Legislature of the State that would, in the reasonable judgment of the Underwriter, adversely affect the security for the Bonds; or

(vii) there shall have occurred any change that, in the reasonable judgment of the Underwriter, makes unreasonable or unreliable any of the assumptions upon which (i) yield on

the Bonds for purposes of compliance with the Code, (ii) payment of debt service on the Bonds, or (iii) the basis for the exclusion from gross income for federal income tax purposes of interest on the Bonds, is predicated; or

(viii) there shall have occurred any outbreak or material escalation of hostilities or other calamity or crisis, the effect of which on the financial markets of the United States is such as to make it, in the reasonable opinion of the Underwriter, impractical to market the Bonds or to enforce commitments for the purchase of the Bonds; or

(ix) the Issuer shall fail to execute and deliver or to obtain one or more filings, consents, approvals, authorizations, registrations or other action requested by the Underwriter to be obtained or taken by the Issuer and such failure is based upon the Issuer's conclusion that such action is unduly burdensome and the Underwriter shall reasonably conclude that, as a result of the Issuer's failure to so execute and deliver or to obtain what has been requested by the Underwriter, the marketing of the Bonds will be materially adversely affected.

(x) The occurrence, in the judgment of the Underwriter, of a material adverse change in the capital markets which makes the sale of the Bonds or financing contemplated by the Indenture and the Bonds impractical or which makes it inadvisable to proceed with such sale or financing on the terms, in the manner and on the basis contemplated hereby.

Section 9. Expenses. The Underwriter shall be under no obligation to pay, and the Borrower hereby agrees to pay, any expenses incident to the performance of the Issuer's obligations hereunder, including, but not limited to, (a) the costs of printing and preparation for printing or other reproduction for distribution and use in connection with the public offering of the Bonds such number of copies as may be requested by the Underwriter of the Indenture, the Bond Resolution, the Official Statement and the blue sky survey, as well as any delivery costs incurred in connection with the distribution of the foregoing documents; (b) the cost of preparing the definitive Bonds; (c) the fees and disbursements of Bond Counsel in connection with the authorization and issuance of the Bonds; the fees and expenses of Fannie Mae and of Fannie Mae's counsel; the fees and expenses of Issuer's counsel; the fees and expenses of the Trustee and its counsel; and the fees and disbursements of Borrower's Counsel and any other experts or consultants retained by the Issuer; (d) the fees of rating agencies in connection with the rating of the Bonds; (e) the fees and expenses of counsel to the Underwriter; and (f) all other expenses in connection with the public offer and sale of the Bonds. The Issuer shall have no obligation to pay any fees, expenses or costs associated with or resulting from the issuance and delivery of the Bonds.

Section 10. Notices. Any notice or other communication to be given to the Issuer or the Borrower under this Bond Purchase Agreement may be given by mailing or sending by facsimile the same to the respective address shown above, and any such notice or other communication to be given to the Underwriter may be given by mailing the same to Hutchinson, Shockey, Erley & Co., Suite 301, 1702 East Highland Avenue, Phoenix, Arizona 85016, Attention: Mr. Lauro Garcia, III and Newman & Associates, a Division of GMAC Commercial Holding Capital Markets Corp., 1801 California Street, Suite 3700, Denver, Colorado 80202.

Section 11. Parties in Interest. This Bond Purchase Agreement is made solely for the benefit of the Issuer, the Borrower, the Underwriter and, to the extent set forth in Section 4, the Indemnified Parties, and no other party or person will acquire or have any right hereunder or by virtue hereof.

Section 12. Amendments. This Bond Purchase Agreement may not be amended except by an instrument in writing executed by the Issuer, the Borrower and the Underwriter.

Section 13. Survival of Representations and Covenants. The representations and covenants of the Borrower and the Underwriter will not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of (a) any investigations made by or on behalf of any other party hereto (or statements as to the results of such investigations) concerning such representations and covenants and (b) delivery of and payment for the Bonds.

Section 14. Execution in Counterparts. This Bond Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute but one and the same instrument.

Section 15. No Prior Agreements. This Bond Purchase Agreement supersedes and replaces all prior negotiations, agreements and understandings between the parties hereto in relation to the sale of Bonds.

Section 16. Effective Date. This Bond Purchase Agreement will become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Issuer and the Borrower and will be valid and enforceable as of the time of such acceptance.

Section 17. Termination of Agreement. If the conditions to the obligations of the Underwriter contained in this Bond Purchase Agreement are not satisfied, or if the obligations of the Underwriter to purchase and accept delivery of the Bonds are terminated for any reason permitted by this Bond Purchase Agreement, then, upon written notice from the Underwriter to the Borrower and the Issuer delivered prior to Closing, this Bond Purchase Agreement will terminate and none of the Underwriter, the Borrower or the Issuer will be under further obligation hereunder, except that the obligations to pay expenses, as provided in Section 9 hereof, will continue in full force and effect. The Underwriter may in its discretion waive any one or more of the conditions imposed by this Bond Purchase Agreement for its protection and proceed with the Closing.

Section 18. Governing Law. This Bond Purchase Agreement will be governed by the laws of the State of California without giving effect to the conflict of law principles of such State.

[Remainder of Page Intentionally Left Blank]

If the foregoing is in accordance with your understanding of the Bond Purchase Agreement, please sign and return to us the enclosed duplicate copies hereof, whereupon it will become a binding agreement among the Issuer, the Borrower and the Underwriter in accordance with its terms.

Very truly yours,

HUTCHINSON, SHOCKEY, ERLEY & CO., as
representative for itself and Newman & Associates,
a Division of GMAC Commercial Holding Capital
Markets Corp.

By _____
Its _____

[Issuer Signature Page to Bond Purchase Agreement]

COUNTY OF SAN BERNARDINO

By _____
Thomas R. Laurin, Director
Department of Economic and Community
Development

[Borrower Signature Page to Bond Purchase Agreement]

WLP MOUNTAIN VIEW APARTMENTS, LLC, a
Delaware limited liability company

By: Lewis Operating Corp., a California corporation,
Sole Manager

By: _____
Name: _____
Authorized Agent

APPENDIX A

[Form of Bond Counsel Opinion]

[CLOSING DATE]

[UNDERWRITER]

[BOND CAPTION]

After appropriate introductory language, the opinion shall state substantially as follows:]

1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

2. The Issuer Documents have been duly executed and delivered by the Issuer and, assuming due execution and delivery by the other parties thereto, constitute valid and binding obligations of the Issuer, except that rights and obligations of the Issuer under the Issuer Documents may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles and to the exercise of judicial discretion in appropriate cases, and, provided further that we express no opinion with respect to indemnification, contribution, choice of law, choice of forum or waiver provisions contained in the Issuer Documents.

3. The statements made in the Official Statement under the headings "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" (other than under the heading "—Credit Facility"), "THE BONDS" (other than under the subcaptions "Book-Entry Only" and "The Remarketing Agent"), "TAX MATTERS," and Exhibits A, B, C, and D to the extent that such statements describe the Bonds or are summaries of certain provisions of the Bonds, the Financing Agreement, the Indenture, the Regulatory Agreement and our firm's opinion with respect to certain federal tax implications of certain aspects of the Bonds, present a fair and accurate summary of such provisions and implications in all material respects.

Respectfully submitted,

APPENDIX B

[NOT USED]

APPENDIX C

[Form Opinion of Borrower's Counsel]

[CLOSING DATE]

[ISSUER]

[UNDERWRITER]

[TRUSTEE]

[FANNIE MAE]

[BOND CAPTION]

[After appropriate introductory language, the opinion shall state substantially as follows:]

1. The Borrower is a validly organized and existing limited liability company under the laws of the State and qualified to do business and in good standing in the State.

2. The Borrower has full legal right, power and authority (a) to own its properties and conduct its business as described in the Official Statement and (b) to enter into and to carry out and consummate the transactions contemplated by the Borrower Documents.

3. By all necessary action, the Borrower has duly authorized and adopted the Borrower Documents, and approved the execution and delivery of, and the performance by the Borrower of the obligations on its part contained in the Bonds and the Borrower Documents and the consummation by it of all other transactions contemplated by the Indenture and the Borrower Documents.

4. The Borrower Documents have been duly executed and delivered by the Borrower and, assuming the due authorization, execution and delivery of such agreements by the respective other parties thereto where necessary, if any, constitute legal, valid and binding obligations of the Borrower enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws of general applicability affecting the enforcement of creditors' rights and to general principles of equity, regardless of whether such enforceability is considered in equity or in law.

5. To the best of our knowledge after due and diligent inquiry, as of the Effective Date, the Borrower is not in any material respect in violation of, breach of or default under any applicable constitutional provision or law of any state or of the United States, or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Borrower or any of its activities, properties or assets, or any indenture, mortgage, deed of trust, resolution, note agreement (including, without limitation, the Borrower Documents) or other agreement or instrument to which the Borrower is a party or by which the Borrower or any of its property or assets is bound, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instruments; and the execution and delivery of the Bonds and the Borrower Documents, and compliance with the provisions on the Borrower's part contained therein, do not and will not conflict with, or constitute on the part of the Borrower a violation of, breach of or default under, any applicable constitutional provision or law of any state or of the United States, or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Borrower or any of its activities, properties or assets, or any indenture, mortgage, deed of trust, resolution, note agreement or other agreement or instrument to which the Borrower is a party or by which the Borrower or

any of its property or assets is bound, nor will any such execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower or under the terms of any such law, regulation or instrument, except as provided by the Bonds or the Borrower Documents.

6. To the best of our knowledge after due and diligent inquiry, as of the Effective Date, all consents, approvals, authorizations, and orders of or filings or registrations with any governmental authority, board, agency or commission of any state or of the United States having jurisdiction required in connection with, or the absence of which would materially adversely affect, the execution and delivery by the Borrower of the Borrower Documents or the performance by the Borrower of its obligations thereunder have been obtained or made and are in full force and effect.

7. To the best of our knowledge after due and diligent inquiry, as of the Effective Date, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any judicial or administrative court or governmental agency or body, state, federal or other, pending or, to the best of our knowledge, threatened against the Borrower, affecting the existence of the Borrower or the titles of its officers to their respective offices, or contesting or affecting as to the Borrower the validity or enforceability of the Act, the Bonds, any Borrower Document or the execution and delivery or adoption by the Borrower of any Borrower Document, or in any way contesting or challenging the completeness or accuracy of the Official Statement or the powers of the Borrower or its authority with respect to the Borrower Documents or the consummation of the transactions contemplated thereby; nor, to the best of our knowledge, is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial condition or operations of the Borrower or the validity of the authorization, execution, delivery or performance by the Borrower of any Borrower Document.

APPENDIX D

[Form of Opinion of Counsel to the Trustee]

[CLOSING DATE]

[ISSUER]

[FANNIE MAE]

[UNDERWRITER]

[TRUSTEE]

[BOND CAPTION]

[After appropriate introductory language, the opinion shall state substantially as follows:]

1. The Trustee is a duly created and lawfully existing _____ duly organized and existing under the laws of _____, and is duly qualified to exercise trust powers under all applicable laws.

2. The Trustee has full corporate right, power and authority to accept the trusts contemplated by and to perform all duties and obligations on its part to be performed and to take all actions required or permitted on its part to be taken under and pursuant to the Trustee Documents, whether as trustee or custodian, as applicable and has taken all corporate action necessary to assume the duties and obligations of the Trustee under or custodian, as applicable, the Trustee Documents and the execution and delivery thereof.

3. The Trustee has all necessary trust powers required to carry out the trusts intended under the Indenture, has duly authorized the acceptance of the trusts contemplated by the Indenture and has duly accepted the duties and obligations of the Trustee.

4. The Trustee has duly authorized the execution and delivery of the Trustee Documents, has duly executed and delivered the Trustee Documents and the Trustee Documents are the valid, legal and binding obligations of the Trustee enforceable in accordance with their respective terms.

5. All consents, approvals, authorizations, and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction required in connection with, or the absence of which would materially adversely affect, the execution and delivery by the Trustee of the Trustee Documents or the performance by the Trustee of its duties and obligations as trustee or custodian, as applicable, thereunder have been obtained or made and are in full force and effect.

6. The acceptance of the duties and obligations of the Trustee, whether as trustee or custodian, as applicable, under the Trustee Documents, the performance and the consummation of the transactions on the part of the Trustee contemplated in the Trustee Documents, whether as trustee or custodian, as applicable, and the compliance by the Trustee, whether as trustee or custodian, as applicable, with the terms, conditions and provisions of the Trustee Documents have been duly authorized by all necessary corporate action on the part of the Trustee and do not and will not conflict with the Articles of Association or By-Laws of the Trustee, as in effect on the date of such opinion, and do not and will not conflict with, or constitute on the part of the Trustee a violation of, breach of or default under, any constitutional provision or statute of the State or the United States or any indenture, mortgage, deed of trust, resolution, note agreement or other agreement or instrument to which the Trustee is a party or by

which the Trustee is bound or, to such counsel's knowledge, any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities.

This opinion is furnished by me solely for your benefit and may not, without my express written consent, be relied upon by any other person.

Very truly yours,

APPENDIX E

[Form of Opinion of General Counsel of Fannie Mae]

[CLOSING DATE]

[ISSUER]

[TRUSTEE]

[BOND CAPTION]

Ladies and Gentlemen:

This opinion is furnished to you in connection with the delivery by Fannie Mae of its Direct Pay Irrevocable Transferable Credit Enhancement Instrument (the "Credit Facility"), dated the Closing Date.

As Vice President and Deputy General Counsel of Fannie Mae, I am of the opinion that:

(i) Fannie Mae has been duly organized under the Federal National Mortgage Association Charter Act, as amended, 12 U.S.C. §1716 et seq., and is a corporation duly organized and existing under the laws of the United States;

(ii) Fannie Mae has full right, power, and authority to execute and deliver the Credit Facility;
and

(iii) the Credit Facility has been duly authorized, executed and delivered by Fannie Mae and constitutes a valid and binding obligation of Fannie Mae, enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general applicability relating to or affecting creditors' rights from time to time in effect as such laws would be applied in the event of a bankruptcy, insolvency, reorganization, moratorium or similar occurrence affecting Fannie Mae and to the exercise of judicial discretion in accordance with general principles of equity, whether applied by a court of law or of equity.

My opinion is rendered only to, and may be relied upon only by, the addressees. My opinion herein is limited to the laws of the District of Columbia and of the United States of America, to the extent they are applicable, and I express no opinion as to the applicability of the laws of any other jurisdiction.

Sincerely,

APPENDIX F

[Form of Letter of Special Counsel to Fannie Mae]

[CLOSING DATE]

[UNDERWRITER]

[BOND CAPTION]

The copy of the Credit Enhancement Instrument (“Credit Facility”) provided to Kutak Rock LLP pursuant to the attached e-mail is a true and correct copy of the Credit Facility to be executed by Fannie Mae in connection with the issuance of the above-captioned Bonds. No material changes will be made to the document prior to Fannie Mae’s execution and delivery of the Credit Facility.

Very truly yours,

APPENDIX G

[Form of Opinion of Underwriter's Counsel]

[CLOSING DATE]

[UNDERWRITER]

[BOND CAPTION]

We have acted as counsel to Hutchinson, Shockey, Erley & Co., and Newman & Associates, a Division of GMAC Commercial Holding Capital Markets Corp. (together, the "Underwriter") in connection with the issuance of the above-captioned bonds (the "Bonds"), issued pursuant to a Trust Indenture dated as of May 1, 2004 (the "Indenture") between the County of San Bernardino (the "Issuer") and BNY Western Trust Company, as trustee (the "Trustee"). As such counsel, we have reviewed such records, certificates, opinions and documents as we have deemed necessary or appropriate for the purpose of this opinion. Upon the basis of such examination, we are of the opinion that, under the existing laws, the Bonds may be offered and sold without registration under the Securities Act of 1933, as amended, and the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.

In connection with the preparation of the Official Statement (the "Offering Document") used in connection with the initial issuance and sale of the Bonds on the date hereof, we have reviewed generally information furnished to us by, and have participated in conferences with, representatives of the Issuer; Fulbright & Jaworski L.L.P., Bond Counsel; Fannie Mae; O'Melveny & Myers LLP, Fannie Mae's outside counsel; WLP Mountain View Apartments, LLC, a Delaware limited liability company (the "Borrower"); the Borrower's General Counsel; the Trustee; and the Underwriter. We also have reviewed the documents relating to the Bonds described in the Offering Document and other documents and records relating to the issuance and sale of the Bonds. In addition, we have relied upon certificates of officials of the Issuer, Fannie Mae and the Borrower, an opinion from Bond Counsel and a letter from Fannie Mae's outside counsel. However, we have not independently verified any factual matters in connection with or apart from the aforementioned review and conferences and, accordingly, we do not express any view or belief as to matters that might have been disclosed by independent verification.

Although we have made no independent investigation or verification of the accuracy, correctness, fairness or completeness of, and do not assume any responsibility for, the information included in the Offering Document (subject to the qualifications set forth herein), no information came to the attention of the attorneys in our firm rendering legal services in connection with the issuance of the Bonds which causes us to believe that the Offering Document (except for the financial statement, financial, statistical and numerical information, forecasts, estimates, assumptions and expressions of opinion, as to which we express no view), as of its date contained, or as of the date of this opinion contains, any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

This letter is issued to and for the sole benefit of the above addressee and is issued for the sole purpose of the transaction specifically referred to herein. No person other than the above addressee may rely upon this letter without our express prior written consent. This letter may not be utilized by you for any other purpose whatsoever and may not be quoted by you without our express prior written consent. We assume no obligation to review or supplement this letter subsequent to its date, whether by reason of a change in the current laws, by legislative or regulatory action, by judicial decision or for any other reason.

Respectfully submitted,

APPENDIX H

[Closing Certificate of Fannie Mae]

[BOND CAPTION]

This Certificate of Fannie Mae is being executed and delivered on behalf of Fannie Mae by the undersigned, an authorized officer of Fannie Mae. The undersigned certifies, on behalf of Fannie Mae, that the attached information regarding Fannie Mae is accurate and may be included in the Official Statement for the bonds described above.

Dated: _____

FANNIE MAE

By _____
Name _____
Title _____